

CITY OF MUSKEGON
DOWNTOWN DEVELOPMENT AUTHORITY (DDA) /
BROWNFIELD REDEVELOPMENT AUTHORITY (BRA)
SPECIAL MEETING
MINUTES

May 17, 2018

Chairperson M. Bottomley called the meeting to order at 4:00 PM and roll was taken.

MEMBERS PRESENT: Heidi Sytsema, John Riegler, Frank Peterson, Ron Pesch, Jeanette Moore, Martha Bottomley, Mike Kleaveland

MEMBERS ABSENT: Mike Johnson, excused; Paul Edbrooke; Jay Wallace Jr; Don Kalisz

STAFF PRESENT: Mike Franzak, LeighAnn Mikesell, Diane Renkenberger

OTHERS PRESENT: Matt Gongalski, Rad Dads Tacos, 470 W Western Ave.

MINUTES

A motion to approve the Special Meeting Minutes of May 8, 2018 was made by R. Pesch, supported by F. Peterson and unanimously approved.

NEW BUSINESS

Discussion and request to budget up to \$750,000.00 for L.C. Walker Arena improvements. The DDA meeting was held at the L.C. Walker Arena. F. Peterson discussed the improvements that the city was making to the arena to make it more attractive to sports teams and spectators. The city also hoped to draw in more people, whether they were sports fans or not, to help showcase arena events that the general public may not be otherwise aware of. Part of this effort involved the new Rad Dads' Tacos and Tequila Bar, which was located inside the arena but also had an opening on Western Avenue. M. Gongalski of Rad Dads discussed their goals for their restaurant in the new site and the excitement of being part of downtown Muskegon and the arena. R. Pesch asked about the current income generated by arena events. F. Peterson stated that arena expenses were still greater than the income. R. Pesch stated that he preferred to see the DDA funds go to more than one organization or facility. He didn't think the DDA should fund all of it, as many organizations using the arena were not from the City of Muskegon. F. Peterson stated that he had been involved in discussions with outside agencies as well and had come to the conclusion that the arena needed to expand beyond hockey. M. Gongalski stated that they were working collaboratively with the Lumberjacks hockey team. R. Pesch asked if the County of Muskegon was contributing any money, since they were talking about building a convention center. F. Peterson stated that the hotel groups were pushing for a convention center, not necessarily the County. The convention facility would benefit the arena by contributing amenities such as restrooms that would be available to arena patrons. J. Riegler asked if the DDA would have the approximately \$800,000 available on a yearly basis or if it was a one-time windfall. F. Peterson stated that it would be annually. J. Riegler confirmed that the money that would come from the DDA would be reimbursement from the funds that the city had paid to cover DDA obligations over the years when the DDA did not have the money. F. Peterson stated that was correct. J. Riegler asked what the DDA's mission was, going forward. F. Peterson stated that there was an existing DDA plan. The DDA was originally designed to help a struggling downtown and grow its tax base, but its funds had been tied up in bond payments for many years. In addition, there were no more industrial personal

property taxes. Many many of the industrial properties that had been holding the DDA back had now been removed from the district in order to eliminate those huge losses. This manner of accounting had resulted in the \$800,000 DDA fund balance. M. Kleaveland stated that he was comfortable that city staff knew the downtown needs and he would support this request. F. Peterson stated that arena users wanted more and better choices and it has been difficult to accommodate them. There was no kitchen in the facility which severely limited the food options. F. Peterson also discussed other plans for increasing the arena's revenue.

F. Peterson took staff and board members on a tour of the arena concourse and pointed out improvements that had been made, and improvement needed. He and M. Gongalski answered board members' questions. R. Pesch asked about the seating, and how much would be left after seating was removed to allow other amenities. F. Peterson stated that there would be about 3,000 to 3,500 seats remaining. M. Bottomley suggested that the board take some time to consider the information before voting. Other members were comfortable with the information presented and preferred to vote now.

A motion to approve the City's request to budget up to \$750,000.00 of DDA funds for L.C. Walker Arena improvements was made by M. Kleaveland, supported by M. Bottomley and approved, with H. Sytsema, J. Riegler, F. Peterson, J. Moore, M. Bottomley, and M. Kleaveland voting aye, and R. Pesch voting nay.

OLD BUSINESS

None

OTHER

None.

There being no further business, the meeting was adjourned at 5:20 PM.